

EDITORS -

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MONTREAL, March 27 - Substantial increases in the investment portfolio and properties of Canadian Pacific Investments Ltd., are recorded in the company's 1967 annual report.

The report, released today, is the first since CPI made the largest single equity offering in Canada's financial history last November -- a \$100 million issue of convertible preferred shares.

Proceeds from the issue are earmarked for major equity investments, mainly in Canadian resource-oriented companies, and to provide additional capital for further development of CPI subsidiaries. At the end of 1967, proceeds not invested in stocks were temporarily placed in short term securities.

CPI is a holding company with interests in oil, gas and other minerals, timberlands, real estate, hotels and restaurants and with a portfolio of marketable securities. Controlling interest in the company is held by Canadian Pacific Railway Company.

The CPI report shows an increase in 1967 of \$56.5 million in the investment portfolio, bringing it to a total of \$265 million at the end of the year. Common stocks of non-controlled companies accounted for \$202.3 million, with the remainder invested in preferred stocks, bonds and other securities.

The portfolio total does not include CPI's 52-percent interest in Cominco Ltd., which is listed in the report at \$173.1 million.







Net investment in properties increased \$34.7 million to \$194.7 million at the end of 1967. Of the increase, \$15.3 million related to oil, gas and other mineral properties, \$11.2 million to real estate operations, \$5.9 million to timberland facilities and \$2.3 million to hotels.

Major developments for CPI during 1967 included extension of oil and gas exploration into new areas, the acquisition of an equity interest in Panarctic Oils Ltd., provision for further expansion of logging operations through the purchase of substantial timber holdings in British Columbia, and the development of a number of commercial and industrial real estate projects across Canada.

Describing the year as one of progress in expanding and developing CPI's diversified interests, the report said the company "looks forward with confidence" to further expansion.

Consolidated net income in 1967 was \$39.9 million, compared with \$42.0 million in 1966. Reduced earnings of Cominco Ltd., resulting from lower lead and zinc prices, more than accounted for the decrease.

Investment income at \$20.0 million was down \$1.4 million from 1966, due to a reduction of \$2.6 million in dividends from Cominco, which offset higher dividends and interest from holdings in CPI's investment portfolio.

Net income from wholly-owned operating companies of CPI increased \$2.5 million to \$13.1 million.

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Dividends declared on common shares totalled \$20.1 million in 1967, unchanged from the previous year. All common shares were owned by CPR at the end of 1967.

The first semi-annual dividend on preferred shares has been declared payable May 1, 1968, at the rate of 47.5 cents per share.

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